DTE ENERGY CORPORATE SECURITY AND METAL THEFT



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IMPACT



- Alarming increases in copper theft are occurring on global, national, and local levels.
- Copper theft has a significant impact on the company; simultaneously increasing costs, reducing service reliability, and endangering both thief and customer alike.
- Everything copper is at risk: air conditioners, power lines and transformers
- DTE Energy experiences hundreds of copper theft cases a year, representing a loss of millions of dollars



IMPACT CONT'D

- The collaborative efforts of Corporate Security, local law enforcement and the local Prosecutor's Office have resulted in over 100 arrests related to thefts occurring on or of DTE Energy property.
- More than a dozen deaths and numerous injuries are attributed to the theft of energized conductors.
- Theft of energized conductors is common. DTE Energy has experienced over 400 thefts in previous years, with a significant portion of it being energized conductors. Thieves steal from abandoned buildings, service-drops, and pole-to-pole spans including both primary and secondary circuits.

RESPONSE



- Corporate Security has implemented an unprecedented collection of programs in response to this crisis.
- Customer Tip Hotline created to identify copper thefts.
- Initiated a reward program
- Participate in a Multi-Organization Task Force
 - Agreements
 - Share information
 - All thefts reported
 - Close cooperation
 - Vigorous investigation and prosecution
- Created a DTE Energy Copper Theft Brochure + DVD

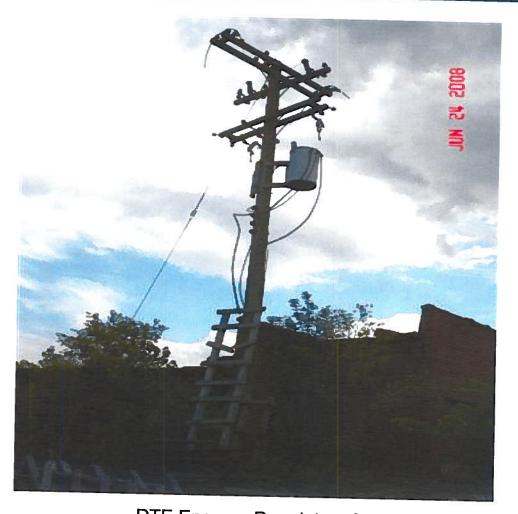


RECENT CASE

- In the past six weeks there have been 22 substation break-ins.
- Our Corporate Security team has been proactive throughout this investigation.
 - Handing out reward flyers in surrounding neighborhoods.
 - Hiring a traveling contract security guard for nightly monitoring of at-risk substations
 - Placement of cameras in substations.
- Last week, stolen substation material was recovered at a nearby scrap yard. The stolen material included electrical components made primarily of copper and brass.
- The estimated value in terms of material and repair total over \$100,000.



ILLUSTRATION



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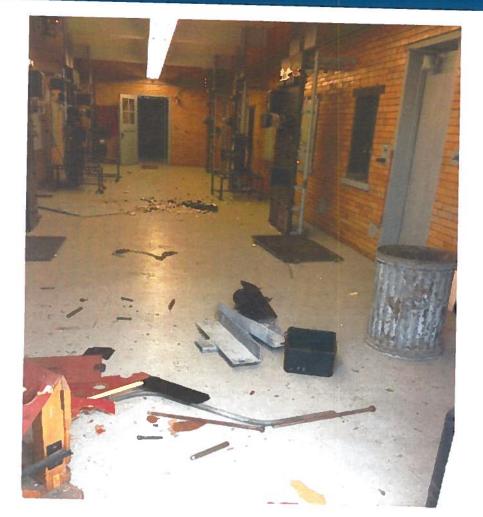
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ILLUSTRATION CONT'D



DTE Energy Wire Found at Scrap Yard

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SCRAP METAL LEGISLATION

- The new scrap metal legislation will assist us with investigations in the following ways:
 - Scrap yards will be required to take photos of all material bought
 - The buyers name will be listed on transactions to identify who bought the material
 - Purchase of copper wire will require three (3) day waiting period for payment and payment by check through mail
 - Preventing a quick fix
 - Obtaining sellers address from license
 - Ensures theft alerts issued are given to employees engaged in purchasing scrap metal
 - Ensures that scrap metal employees are trained in the requirements of the act
 - Creates a list of prohibited items